

# **LEGISLATIVE UPDATE**

March 27, 2015

This week has seen a vast uptick in activity. Committees are holding full schedules and bills are being filed at a record pace. The Senate bill-filing deadline was yesterday, March 26, and the House will close bill filing on April 15 for appropriations and finance legislation and on April 8 for policy legislation. There are droves of bills that education experts are watching, tracking, and sheparding. This week alone, 85+ education or education-related bills were filed, all of which are listed in the pages that follow.

As the State's revenue picture becomes clearer in the coming weeks, Appropriations Committees will begin to craft the State's budget for the 2015-2016 fiscal year. This process will constitute the brunt of the work through the end of session. Recent revenue forecasts show some improvement in closing a gap that began to emerge just months into the current fiscal year. Through February, the revenue shortfall had shrunk to \$159 million, whereas forecasters in January estimated the shortfall to be around \$217 million. So, news is heading in the right direction for state revenues. With April 15 just around the corner, budget experts will have a clearer picture of available monies.

### **Relevant Bills in Committee This Week:**

HB 129 High Achieving Tuition Scholarships

On Tuesday, the House Committee on Education/Universities amended and approved HB 129. It will now go to the House Committee on Appropriations. This bill would create the High Achieving Tuition Scholarship Program, awarding scholarships to top-performing high school students with at least a 3.5 unweighted GPA to attend NC community colleges beginning in the 2016-2017 school year. The committee amended the bill to allow non-U.S. citizens, who are residents of the state, to be eligible for the scholarships. As amended, a recipient would be allowed to gain admission in a curriculum program, as opposed to only a degree program. Among other qualifying criteria, students would have to affirm that they do not have a felony conviction for any controlled substance offenses under Article 5 of Chapter 90 of the General Statutes.

The committee amended the instances in which a scholarship would be revoked at the conclusion of the first semester of an academic year to include: (1) failure to maintain a course load of 12 credit hours minimum, or (2) default or unpaid refund on a student financial aid program. Failure to maintain a 2.5 GPA would no longer cause scholarship revocation. Community colleges would also ensure that scholarship recipients are provided counseling and assistance to maintain the necessary grade point average.

The State Education Assistance Authority (SEAA) would receive \$50,000 for the 2015-16 fiscal year for administrative costs related to the implementation of the scholarship program. A provision was added to permit the SEAA to use up to 5% of appropriated funds

for administrative costs, and a \$3,500,000 appropriation for 2017-2018 and beyond was removed. The total appropriation for 2016-2017 is \$2,000,000. Under this program, a student receiving a scholarship can defer admission to a UNC System school if the student successfully completes an associate's degree and remains in good standing in the program while enrolled in community college.

## **HB 133** Modify Special Education Scholarships

On Tuesday, the House Committee on Education/K-12 amended and approved HB 133. It will now go to the House Committee on Appropriations. Beginning with the 2015-2016 school year, this bill would increase the maximum amount of this disability scholarship from \$3,000 per semester to \$4,000. It would also change the method for disbursement of the scholarships. Currently, the scholarships come as reimbursements at the end of the semester. This bill would require the SEAA to remit funds for the scholarships at least twice each school year to each receiving student's parents or guardians for endorsement of tuition to an eligible North Carolina non-public school or a public school for which payment of tuition is required.

Only the parent or guardian can restrictively endorse the scholarship funds in-person at the site of the school for deposit into the school's account. Failure to comply with this requirement would result in forfeiture of the scholarship. A scholarship forfeited for this reason would be returned to the SEAA for award to another student. Reimbursement of special education, related services, and educational technology would continue as provided under current law.

Within 60 days of the passage of this bill, the SEAA must establish rules and regulations for the administration and awarding of scholarships. The rules must provide for pro-rated return of funds if a student withdraws prior to the end of the semester from a school to which scholarship funds have been remitted.

### **HB 216** Great Leaders for Great Schools Study

On Tuesday, the House Committee on Education/K-12 approved HB 216. On Wednesday, the House passed the bill, and it is now assigned to the Senate Committee on Rules and Operations. The bill directs the Joint Legislative Education Oversight Committee (JLEOC) to study strategies for providing North Carolina with great leaders for great schools. Before the 2016 Session of the General Assembly, the committee would study and make recommendations on implementation of the following initiatives:

- 1. Recruitment of the highest performing leaders for the lead administrator role.
- 2. Greater flexibility and autonomy for principals over school-based and personnel decisions.
- 3. A compensation plan to attract and retain principals and assistant principals to the lowest-achieving schools and reward outstanding leadership at those schools.
- 4. Specialized State professional development for principals and assistant principals that is focused exclusively on turning around the lowest-achieving schools.
- 5. Strategies for assisting less than proficient principals and assistant principals in improving their work performance and, if necessary, removing them from their positions.

# SB 176 Charter School Grade Level Expansion

On Wednesday, the Senate Committee on Education approved SB 176. On Thursday, the Senate passed it and now it will go to the House. The bill would allow charter schools opening in the 2014-2015 school year to expand into middle school serving grade six during the 2015-2016 school year if the charter school is located in a county that: (1) is adjacent to a county with a major military installation, as defined in G.S. 143-151.71, (2) has a population greater than 100,000, as determined by the 2010 United States Census, and (3) has a population percent change since the 2010 Census that exceeds 8%, as determined by the United States Census Bureau. Committee staff noted that, as it stands now, this would apply to one charter school in Harnett County.

#### **Relevant Bills on the Floor This Week:**

# **HB 13** Amend School Health Assessment Requirement

On Tuesday, the House amended and passed HB 13, and it is now assigned to the Senate Committee on Rules and Operations. The bill would require that all students, irrespective of grade, entering the public school system provide proof of having received a health assessment. The House amended the bill to prevent a child from being suspended for absences accrued due to failure to present the required health assessment transmittal form within 60 (previously 30) calendar days. The child must be allowed to make up work missed during such an absence.

## **HB 29** Technical Changes to Courses of Study Statute

On Tuesday, the House passed HB 29 and it is now assigned to the Senate Committee on Rules and Operations. As a Technical Changes bill, it would repeal the current G.S. 115C-81 through G.S. 115C-81.4 and primarily reorganize the law with new headings and statutes aligned with North Carolina's Standard Course of Study. It would also repeal the Basic Education Plan (BEP), eliminate references to the BEP in state statutes, and set forth new language under a new statute, 115C-81.5.

## SB 6 State Health Plan/Rehired Retiree Eligibility

The Senate Committee on Pensions, Retirement, and Aging amended and approved SB 6. The Senate passed the bill on Wednesday and it now goes to the House. The bill would allow rehired retirees to maintain their State Health Plan coverage even if they are working on a nonpermanent full-time basis under certain conditions. In education, the classic example is rehired retirees who substitute teach on a long-term, full-time basis. The Senate amended the original version of the bill to now require the employing unit (e.g., LEA) to pay the employer premium for retirees who enroll under this new provision. The bill amends GS 135-48.40(b) under "Partially Contributory Coverage" to add a new subsection (1a) as follows:

"(1a) All retirees who (i) are employed by an employing unit, (ii) do not qualify for coverage under subdivision (1) of this subsection, and (iii) are determined to be "full-time" by their employing unit in accordance with section 4980H of the Internal Revenue Code and the applicable regulations,

as amended. The employing unit shall pay the employer premiums for retirees who enroll under this subdivision."

SB 14 Academic Standards Review/Rules Review/Coal Ash/Funds

On Thursday, SB 14 emerged from a Conference Committee following two weeks of negotiations between the House and Senate. The House approved the compromise version and the Senate is expected to do the same next week; after which, it will go to the Governor's desk. The negotiated bill will require DPI to transfer \$50,000 from available funds to the Office of Administrative Hearings for its defense costs associated with the declaratory judgment action, *North Carolina State Board of Education v. The State of North Carolina and the Rules Review Commission*. Also, the bill will require DPI to transfer \$275,000 from its current operating budget to the Department of Administration to support operations of the Academic Standards Review Commission (ASRC) in its review of the NC Standard Course of Study for English Language Arts and Mathematics.

## **Relevant Bills with Action This Week:**

- **HB 13** Amend School Health Assessment (Torbett)
  - Passed the House on Tuesday, March 24
  - Referred to the Committee on Rules and Operations of the Senate
- HB 29 Technical Changes to Courses of Study Statute (L. Johnson, Glazier, Holloway, Horn)
  - Passed the House on Tuesday, March 24
  - Referred to the Committee on Rules and Operations of the Senate
- HB 72 (SB 91) School of Government Project Standards (Hurley, Turner, Carney, Lucas)
  - Favorable report from the House Committee on Education Universities
  - Re-referred to the House Committee on Appropriations
- <u>HB 86</u> Utility Line Relocations/School Board (McNeill, Hurley, Shepard)
  - Favorable report from House Committee on Utilities
  - Re-referred to House Committee on Transportation
- **HB 111** Stanly County Board of Education Recall (Burr)
  - Serial referral to House Local Government Stricken
- **HB 112** Stanly County Board of Education Election Method (Burr)
  - Serial referral to House Local Government Stricken
- HB 129 High Achieving Tuition Scholarships (Elmore, Dobson, Holloway, McNeill)
  - Favorable report from the House Committee on Education Universities
  - Re-referred to the House Committee on Appropriations
- HB 133 Modify Special Education Scholarships (Jordan, Jones, Brockman, Stam)
  - Favorable report from the House Committee on Education K-12
  - Re-referred to the House Committee on Appropriations
- HB 216 Great Leaders for Great Schools/Study (Cotham, Horn, Brockman)
  - Passed the House on Wednesday, March 25
  - Referred to the Committee on Rules and Operations of the Senate

- HB 276 Agency Participation Procedures Act of 2015 (Ross, Gill, Goodman, McNeill)
  - Withdrawn from the House Committee on Education K-12
  - Re-referred to the House Committee on Pensions and Retirement
- **HB 310** No Class Rank Computation/Chapel Hill (Meyer, Insko)
  - Referred to the House Committee on Education K-12, if favorable, Education Universities
- HB 314 (SB 401) Pilot/Sports for Students with Disabilities (Bryan, Stam, Lambeth)
  - Referred to the House Committee on Education K-12, if favorable, Appropriations
- HB 318 Protect North Carolina Workers Act (Cleveland, Millis, Whitmire, Conrad)
  - Referred to the Committee on Commerce and Job Development, if favorable, Judiciary IV
- <u>HB 324</u> Partisan Board of Education Elections (Cleveland, Lambeth, Conrad, Shepard)
  - Referred to the House Committee on Elections
- HB 329 School Calendar Flexibility/Certain School Systems (Watford, R. Brown)
  - Referred to the House Committee on Education K-12
- <u>HB 334</u> Charter School Extracurricular Activity Fees (Jeter, Steinburg)
  - Referred to the House Committee on Education K-12
- <u>HB 335</u> Green Teacher Network Pilot Program (Jeter)
  - Referred to the House Committee on Appropriations
- HB 342 Supporting Title I Schools (Holloway, Whitmire, Blackwell, Jones)
  - Referred to the House Committee on Education K-12
- HB 348 NC Religious Freedom Restoration Act (Schaffer, Bishop)
  - Referred to the House Committee on Judiciary I
- HB 349 Develop Broadband Connectivity Plan (Tine, Saine, Hager, Hanes)
  - Referred to the House Committee on Public Utilities
- HB 354 Charter School Transparency Act (Cotham)
  - Referred Committee on Education K-12, if favorable, Judiciary IV
- HB 355 Enhance Protection for Group Home Residents (Reives, Stam)
  - Referred to the House Committee on Health, if favorable, Judiciary II
- HB 358 (SB 450) School Performance Grade Scale (L. Johnson, Horn, Holloway, Elmore)
  - Referred to the House Committee on Education K-12
- HB 359 Excellence in School Leadership (L. Johnson, Holloway, Horn, Elmore)
  - Referred to the House Committee on Appropriations
- **HB 364** Clarify Laws on Executive Orders and Appointments (Lewis)
  - Referred to the Committee on Rules, Calendar, and Operations of the House
- **HB 368** Improve the A-F Grading System (Cotham)
  - Filed
- HB 380 Statewide School Safety Management (Holloway, Glazier, Blackwell, Faircloth)
  - Filed
- SB 5 Union County Local Act (Tucker)
  - Referred to the House Committee on Local Government
- SB 6 State Health Plan/Rehired Retiree Eligibility (Tillman, Barefoot)
  - Passed the Senate on Wednesday, March 25
  - Received in the House

- SB 14 Academic Standards/Rules Review/Coal Ash/Funds (Brown, Harrington, Jackson)
  - Conference report adopted in the House
- SB 127 All State Agencies/Use Temporary Solutions (Hartsell, Randleman)
  - Withdrawn from the Committee on Rules and Operations of the Senate
  - Re-referred to the Senate Committee on Workforce and Economic Development
- SB 176 Charter School Grade Level Expansion (Rabin)
  - Passed the Senate on Thursday, March 26
- SB 237 Education-Based Salary Supplements (Stein)
  - Withdrawn from the Committee on Rules and Operations of the Senate
  - Re-referred to the Senate Committee on Appropriations/Base Budget
- SB 246 Increase Options for Local Options Sales Tax (Smith)
  - Withdrawn from the Committee on Rules and Operations of the Senate
  - Re-referred to the Senate Committee on Finance
- SB 268 (HB 208) Create Department of Information Technology (Tarte, Brock, Hise)
  - Withdrawn from the Committee on Rules and Operations of the Senate
  - Re-referred to the Senate Committee on Appropriations/Base Budget
- SB 279 Amend Qualifications/Practice of Counseling (Barefoot)
  - Withdrawn from the Committee on Rules and Operations of the Senate
  - Re-referred to the Senate Committee on Appropriations/Base Budget
- SB 281 State Department and Agencies/Required Audits (Tarte, Davis, Jackson)
  - Withdrawn from the Committee on Rules and Operations of the Senate
  - Re-referred to the Senate Committee on Finance, if favorable, Appropriations/Base Budget
- SB 289 Education Preparation Reform Act (Barefoot)
  - Withdrawn from the Committee on Rules and Operations of the Senate
  - Re-referred to the Senate Committee on Education/Higher Education
- SB 298 School Bus Cameras/Civil Penalties (Alexander, McInnis)
  - Withdrawn from the Committee on Rules and Operations of the Senate
  - Re-referred to the Senate Committee on Education/Higher Education
- SB 315 School Playgrounds Available to Public (Pate, Tillman, Van Duyn)
  - Withdrawn from the Committee on Rules and Operations of the Senate
  - Re-referred to the Senate Committee on Education/Higher Education
- SB 330 Change Orders on School Construction Projects (McInnis, Tillman)
  - Withdrawn from the Committee on Rules and Operations of the Senate
  - Re-referred to the Senate Committee on Education/Higher Education
- SB 333 Teacher Attrition Data (Soucek)
  - Withdrawn from the Committee on Rules and Operations of the Senate
  - Re-referred to the Senate Committee on Education/Higher Education
- SB 339 (HB 270) Healthy Families & Workplaces/Paid Sick Days (Bryant, Woodard, Foushee)
  - Referred to the Committee on Rules and Operations of the Senate

- SB 343 Student Assault on Teacher/Felony Offense (Tillman)
  - Withdrawn from the Committee on Rules and Operations of the Senate
  - Re-referred to the Senate Committee on Education/Higher Education
- SB 344 Administration/NC Education Endowment Fund (Tillman)
  - Withdrawn from the Committee on Rules and Operations of the Senate
  - Re-referred to the Senate Committee on Appropriations/Base Budget
- SB 346 Enact Stricter Immunization Requirements (Tarte, Barringer, Van Duyn)
  - Referred to the Senate Committee on Health Care
- SB 348 Equal Tax Treatment of Government Retirees (Randleman)
  - Withdrawn from the Committee on Rules and Operations of the Senate
  - Re-referred to the Senate Committee on Finance
- SB 361 Occupational Licensing Reform Study (Hartsell)
  - Referred to the Committee on Rules and Operations of the Senate
- SB 384 Increase Pay/Experienced Teachers (Waddell)
  - Referred to the Committee on Rules and Operations of the Senate
- SB 387 SBE Confirmations (Tillman, Soucek)
  - Referred to the Senate Select Committee on Nominations
- SB 388 Reading Assessments (Tillman, Soucek, Barefoot)
  - Referred to the Committee on Rules and Operations of the Senate
- SB 389 Cost to Comply/Federal Educational Funds/PED Study (Daniel)
  - Referred to the Committee on Rules and Operations of the Senate
- SB 400 Encourage Access to Boy Scouts/Girl Scouts (Barringer, Daniel, Newton)
  - Referred to the Committee and Operations of the Senate
- SB 401 (HB 314) Pilot/Sports for Students with Disabilities (Barringer, Tillman, Woodard)
  - Withdrawn from the Committee on Rules and Operations of the Senate
  - Re-referred to the Senate Committee on Education/Higher Education
- SB 408 Firearms on School Grounds/Security Guards (Davis)
  - Referred to the Committee on Rules and Operations of the Senate
- SB 409 Need-Based Scholars/Private Colleges (Davis, Pate)
  - Referred to the Committee on Rules and Operations of the Senate
- SB 413 State Employee State of Emergency Leave (McKissick, Davis, Meredith)
  - Referred to the Committee on Rules and Operations of the Senate
- SB 415 NC Virtual Public School/Umstead Exemption (Clark)
  - Referred to the Committee on Rules and Operations of the Senate
- SB 418 Amend Statutory Rape/15 Years Old or Younger (Jackson, Daniel, Bingham)
  - Referred to the Committee on Rules and Operations of the Senate
- SB 419 Limit Revolving Door Employment (Hise)
  - Referred to the Committee on Rules and Operations of the Senate
- SB 427 NC-Thinks/Awards Allocation Changes (Brock)
  - Filed
- SB 438 Permanent Plates/Charter Schools (Tucker)
  - Referred to the Committee on Rules and Operations of the Senate

- SB 439 Students with Specific Learning Disabilities (Lowe) Referred to the Committee on Rules and Operations of the Senate SB 442 Local Governments/Inspect Buildings & Structures (Gunn, Ford, Wade) • Referred to the Committee on Rules and Operations of the Senate SB 444 Teacher Compensation Modifications (Apodaca, Barefoot, Soucek) • Referred to the Senate Committee on Appropriations/Base Budget SB 450 (HB 358) School Performance Grade Scale (Tillman, Soucek, Mcinnis) • Referred to the Committee on Rules and Operations of the Senate SB 453 Regulatory Reform Act of 2015 (Wade, Brock, Jackson) Referred to the Committee on Rules and Operations of the Senate SB 456 Charter School Modifications (Tillman) • Referred to the Committee on Rules and Operations of the Senate SB 463 Increase Access to Education (Hartsell) • Referred to the Committee on Rules and Operations of the Senate SB 469 Occupational Licensing Board of Reporting Requirements (Hartsell) • Referred to the Committee on Rules and Operations of the Senate SB 480 Uniform Political Activity/Employees (Wells, Brock, Wade) • Referred to the Committee on Rules and Operations of the Senate SB 484 Allow SBGCs to Offer Contraceptive (Woodard, McKissick) • Referred to the Committee on Rules and Operations of the Senate SB 494 Student Attendance Recognition (Davis, Tillman, Soucek) • Referred to the Committee on Rules and Operations of the Senate SB 503 Sex Offense with Student/Charter Schools (Jackson, Tillman, Soucek) • Referred to the Committee on Rules and Operations of the Senate SB 510 NCVPS/Equal Access to Education (Lee, Krawiec, Clark) • Referred to the Committee on Rules and Operations of the Senate SB 513 North Carolina Farm Act of 2015 (Brock, Jackson) • Referred to the Committee on Rules and Operations of the Senate SB 514 (HB 364) Clarify Laws on Executive Orders and Appointments (Apodaca) • Referred to the Committee on Rules and Operations of the Senate SB 515 Driver Education Funding (Smith-Ingram) • Referred to the Committee on Rules and Operations of the Senate SB 517 Teachers/Isolated K-12 Schools (Davis) • Filed
- SB 523 Avoid Double Billing of State Taxpayers (Curtis, Tucker, Apodaca)
- SB 524 Founding Principles/Graduation Requirement (Curtis, Soucek)
- SB 530 Competency-Based Assessments (Soucek)
- SB 531 Study Need for Pulse Oximeters in Schools (Jackson)
  - Filed
- SB 534 Study Student Online Data Privacy (Barefoot)
  - Filed

```
SB 535 NC Works Career Coaches (Barefoot)
          • Filed
SB 536 Students Know Before You Go (Barefoot)

    Filed

SB 538 NCWorks/Enhance Workforce Development (Barefoot)
          Filed
SB 544 Requirements-Based Workforce Development (Rabin, Curtis)

    Filed

SB 551 Out of School Services (Daniel, Gunn)
         Filed
SB 553 Public Records/Access for NC Citizens (Daniel)

    Filed

SB 554 School Building Leasing Reform (Meredith)
SB 555 Student Reading Act (Tillman, Stein)
SB 561 Remediation-Free High School Graduates (Barefoot, Rucho)
SB 565 No Revolving Door Employment (Tarte)

    Filed

SB 575 NC/SC Original Border Confirmation (Tucker)

    Filed

SB 584 Poverty Task Force (Davis, Lowe, Smith-Ingram)

    Filed

SB 594 Teach for North Carolina Pilot Program (McInnis)
          • Filed
SB 595 School Safety Act (McInnis)

    Filed

SB 597 Education Statutes Revision (Tillman, Soucek, Curtis)

    Filed

SB 601 Student Data Protection Act (Stein)
SB 602 Construction Amendment Reserve Lottery Funds Pre-K (Stein)

    Filed

SB 603 NC Accountability (Stein, Jackson)
SB 604 Women and Children's Protection Act of 2015 (Randleman, Krawiec, Daniel)
SB 608 Simple and Fair Formula for Sales Tax Distribution (Rucho)
SB 612 Nondiscrimination in Public Employment (Van Duyn, Smith-Ingram)
SB 618 Modify OSBM Fiscal Analysis: Existing Rule (Wade)

    Filed
```

- SB 624 Private Schools/Firearms Amendments (Bingnam)
  - Filed
- SB 631 Eliminate Annual Training Required School Boards (Brock)
  - Filed
- SB 633 State and Local Government Transparency Act (Brock)
  - Filed
- SB 636 Consolidate State Offices/Digital Docs Required (Tarte, Brock)
  - Filed
- SB 640 School Nurses/LRC Study (Tarte)
  - Filed
- SB 649 Access to Sports/Extracurricular For All Students (Sanderson, Brock, Hise)
  - Filed
- SB 657 Charter Schools/Higher Education/LRC Study (Lee)
  - Filed
- SB 669 Homeless Youth Obtaining Housing/LRC Study (Apodaca)
  - Filed
- SB 672 LRC Study/Local Boards of Education (Apodaca)
  - Filed
- SB 676 Autism Health Insurance Coverage (Apodaca)
  - Filed
- SB 677 Youth Development Fund (Rabin, Sanderson)
  - Filed
- SB 690 LRC Study School Districts Restructure/Open Enrollment (Hartsell) Filed

### **Meetings March 31 - April 2:**

#### Tuesday, March 31

- 10:00 AM House Education K-12, 643 LOB
  - o HB 238 Duty-FreeTime/Lunch for Teachers
  - o HB 358 School Performance Grade Scale
- 12:00 PM House Transportation, 643 LOB
  - o HB 86 Utility Line Relocation/School Board

#### Wednesday, April 1

- 11:00 AM Senate Education/Higher Education, 544 LOB
  - o SB 279 Amend Qualifications/Practice of Counseling
  - o SB 298 School Bus Cameras/Civil Penalties
  - o SB 315 School Playgrounds Available to Public
- 1:00 PM House Public Utilities. 643 LOB
  - o HB 86 Utility Line Relocation/School Board

#### Thursday, April 2

TBD

# **Contact Information:**

Rachel E. Beaulieu
Department of Public Instruction
Legislative & Community Relations
Director
919-807-4035
Rachel.Beaulieu@dpi.nc.gov

Loretta Peace-Bunch Legislative Assistant 919-807-3403 Loretta.Peace-Bunch@dpi.nc.gov Zane B. Stilwell, II
State Board of Education
Legislative Relations & Policy
919-807-4068
Zane.Stilwell@dpi.nc.gov